

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SENATE BILL 1265

AN ACT

AMENDING SECTIONS 42-5251 AND 42-5252, ARIZONA REVISED STATUTES; RELATING TO
EMERGENCY TELECOMMUNICATION SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-5251, Arizona Revised Statutes, is amended to
3 read:

4 42-5251. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Customer" means a person or entity in whose name telephone or
7 telecommunication services are rendered, as evidenced by a signature on an
8 application or contract for service or by receipt or payment of bills
9 regularly issued in the person's or entity's name.

10 2. "Emergency telecommunication services" means telecommunication
11 services or systems that use number 911 or a similarly designated telephone
12 number for emergency calls.

13 3. "Exchange access services" means telephone or telecommunication
14 exchange access lines or channels which provide local access from the
15 premises of a customer to the local telecommunications network to effect the
16 transfer of information.

17 4. "Provider" means a public service corporation ~~offering~~ THAT OFFERS
18 telephone or telecommunications services pursuant to title 40, ~~which~~ AND THAT
19 provides exchange access services.

20 5. "SERVICE PROVIDER" MEANS A PROVIDER, WIRELESS PROVIDER OR VOIP
21 SERVICE.

22 6. "VOIP SERVICE" MEANS INTERCONNECTED VOICE OVER INTERNET PROTOCOL
23 SERVICE AS DEFINED IN 47 CODE OF FEDERAL REGULATIONS SECTION 9.3.

24 ~~5-~~ 7. "Wireless provider" means a supplier of wireless services.

25 ~~6-~~ 8. "Wireless services" means two-way voice commercial mobile radio
26 service as defined by the federal communications commission.

27 Sec. 2. Section 42-5252, Arizona Revised Statutes, is amended to read:

28 42-5252. Levy of tax

29 A. FOR THE FISCAL YEARS BEGINNING FROM AND AFTER JUNE 30, 2007, a tax
30 is levied on every SERVICE provider in ~~an~~ THE amount ~~as follows:~~

31 ~~1. For the fiscal years beginning from and after June 30, 2001 and~~
32 ~~ending before July 1, 2006, thirty seven cents per month for each activated~~
33 ~~wire and wireless service account for the purpose of financing emergency~~
34 ~~telecommunication services.~~

35 ~~2. For fiscal year 2006-2007, twenty eight cents per month for each~~
36 ~~activated wire and wireless service account for the purpose of financing~~
37 ~~emergency telecommunication services.~~

38 ~~3. For the fiscal years beginning from and after June 30, 2007, OF~~
39 twenty cents per month for each activated ~~wire and wireless~~ service account
40 for the purpose of financing emergency telecommunication services.

41 B. A tax is levied on every provider at the rate of 1.1 per cent of
42 the providers' gross proceeds of sales or gross income derived from the
43 business of providing exchange access services. Revenues from the tax shall
44 be used for the purpose of financing telecommunication devices for the deaf

1 and the severely hearing and speech impaired under the program established
2 pursuant to section 36-1947.

3 C. Each provider shall state on the invoice to customers a separate
4 line item stating the amount of tax levied pursuant to subsections A and B of
5 this section.

6 D. Unless the context otherwise requires, article 1 of this chapter
7 governs the administration of the tax imposed under this section.

8 Sec. 3. Purpose

9 The specific reference to voice over internet protocol service accounts
10 in section 42-5252, Arizona Revised Statutes, clarifies that application of
11 the telecommunication service excise tax for financing emergency
12 telecommunication services to such services, which are already subject to the
13 tax as wire and wireless service accounts under the current language. The
14 inclusion and related amendments of the statutory provisions are intended to
15 remove any potential taxpayer confusion over the applicability of the tax to
16 all forms of wire and wireless telecommunication service accounts. It does
17 not constitute the imposition of a new tax or an increase in the tax rate.